



Legislation Details (With Text)

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Title: Approve a three-year Agreement with Dell Marketing L.P. to renew Microsoft Enterprise licensing for the City in the amount of \$4,659,649.05, in accordance with purchasing procedures from cooperative purchase agreements as set forth in Administrative Order 3-1.

Sponsors: Information Services Department

Indexes:

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Attachments: 1. 24-481 Microsoft Enterprise Agreement Renewal, 2. 24-481 Riverside County Enterprise Agreement 2019-2021, 3. 24-481 Riverside County Enterprise Agreement Extension Amendment

Date	Ver.	Action By	Action	Result
4/18/2024	1	City Council	ADOPTED	Pass

REPORT TO THE CITY COUNCIL

FROM: BRYON HORN, Chief Information Officer
Information Services Department

BY: FRANK D. VAWTER, Assistant Director
Information Services Department

SUBJECT

Approve a three-year Agreement with Dell Marketing L.P. to renew Microsoft Enterprise licensing for the City in the amount of \$4,659,649.05, in accordance with purchasing procedures from cooperative purchase agreements as set forth in Administrative Order 3-1.

RECOMMENDATION

Staff recommends Council authorize the Chief Information Officer to enter into a three-year Agreement with Dell Marketing L.P. to renew Microsoft Enterprise licensing for the City in the amount of \$4,659,649.05 in accordance with purchasing procedures from cooperative purchase agreements as set forth in Administrative Order 3-1.

EXECUTIVE SUMMARY

The Information Services Department (ISD) has maintained an Enterprise Agreement to cover the support and licensing of Microsoft software products. The total amount of the three-year contract is \$4,659,649.05, spread evenly over the three-year term at \$1,553,216.35, annually. The licensing shall be priced and purchased using a cooperative purchase agreement as set forth in Administrative

Order 3-1. ISD will be using the County of Riverside Agreement to complete this purchase. In addition, ISD procured three bids from those vendors who are authorized to provide licensing from the Riverside Agreement and chose the lowest bidder.

In addition to the Microsoft software, such as Windows, Office, Teams, and OneDrive, that run on desktop and laptops the City also uses a variety of other Microsoft products. These software products make up the majority of the software that run the City's technology operations. The City has entered into this agreement with Microsoft to assure that the City maintains its investment in software, via the Software Assurance program, and keeps current the licensing on productivity applications.

BACKGROUND

It is common for sizeable organizations to enter into Enterprise Agreements with Microsoft. These agreements allow organizations to leverage their volume for improved pricing on a variety of Microsoft products, as well as establish access to Software Assurance. Software Assurance is a program that allows organizations to maintain the rights to current versions of previously purchased licenses for a fraction of the cost of the original license.

ISD maintains the licensing for all of the Microsoft products in the City, included in this are licenses for Windows, Office, SharePoint, Teams and core technology functions like file and application servers, databases servers, email servers, Intune, and Azure Active Directory.

The City's Enterprise Agreement is set to expire April 30, 2024. ISD has examined multiple offers from a variety of vendors on this agreement. We have identified Dell Technologies as the vendor with the lowest current, and lowest predicted future costs.

ENVIRONMENTAL FINDINGS

Pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15378, this item is not a project for the purposes of CEQA.

LOCAL PREFERENCE

Local preference does not apply because a cooperative purchase agreement is being used to purchase Microsoft licensing using another governmental entity's agreement.

FISCAL IMPACT

Funding for this expense is appropriated in the Fiscal Year 2024 Budget in the Information Services Department's (ISD) Systems Acquisition Maintenance Fund (54001). The cost for the first year of the enterprise agreement is \$1,553,216.35. ISD currently collects yearly appropriations to pay for the remainder of the Agreement over the 3-year term. No additional fiscal impact is expected.

Attachments:

Microsoft Enterprise Agreement Renewal

Riverside County Enterprise Agreement 2019-2021

Riverside County Enterprise Agreement Extension Amendment